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COMMONWEALTH OF VIRGINIA

STATE CORPORATION COMMISSION

AT RICHMOND, MAY 18, 1999

APPLICATION OF

DPI-TELECONNECT, L.L.C.

CASE NO. PUC990047

For a certificate of public convenience and necessity to provide local exchange telecommunications services

ORDER FOR NOTICE AND HEARING

On May 11, 1999, dPi-Teleconnect, L.L.C. ("dPi" or "Applicant") completed an application for a certificate of public convenience and necessity ("certificate") requesting authority to provide local exchange telecommunications services throughout the Commonwealth of Virginia.

In its application, dPi states that it is a non-facilities based reseller that proposes to offer its customers pre-paid monthly recurring, flat-rate local exchange service, including extended area service, toll restriction, call control options, tone dialing, custom calling services, and any other services available on a resale basis from the underlying incumbent local exchange carriers.

In order to provide this prepaid month-to-month service,
dPi requests a waiver of certain provisions of Rule C. 1. of the
Commission's Rules Governing the Offering of Competitive Local

Exchange Telephone Service ("Competition Rules") requiring a new entrant, either directly or through arrangements with others, to provide access to directory assistance, access to operator services, equal access to interLATA long distance carriers and access to intraLATA service to all local exchange customers. The Applicant further requests a waiver of Rule D.3. of the Competition Rules, 20 VAC 5-400-180, limiting the proposed rate for service provided by the new entrant not to exceed the highest of the comparable tariffed services provided by the incumbent local exchange telephone company or companies in the same local serving areas.

NOW UPON CONSIDERATION of the filing the Commission is of the opinion that dPi's application should be docketed; that the Applicant should give notice to the public of its application; that the Commission Staff should conduct an investigation into the reasonableness of the application and present its findings in a Staff report; and that a public hearing should be convened to receive evidence relevant to dPi's application.

Accordingly, IT IS THEREFORE ORDERED THAT:

- (1) This case is docketed and assigned Case No. PUC990047.
- (2) A public hearing for the purpose of receiving evidence relevant to dPi's application is scheduled for July 29, 1999, at 10:00 a.m. in the Commission's second floor courtroom located in the Tyler Building, 1300 East Main Street, Richmond, Virginia.

(3) On or before June 18, 1999, the Applicant shall complete publication of the following notice, which may be published on one occasion as classified advertising, in newspapers having general circulation throughout the Applicant's proposed service territory:

NOTICE TO THE PUBLIC OF AN APPLICATION
BY DPI-TELECONNECT, L.L.C., FOR A
CERTIFICATE OF PUBLIC CONVENIENCE
AND NECESSITY TO PROVIDE LOCAL EXCHANGE
TELECOMMUNICATIONS SERVICES THROUGHOUT
THE COMMONWEALTH OF VIRGINIA AND
A REQUEST FOR WAIVER OF RULES
CASE NO. PUC990047

On May 11, 1999, dPi-Teleconnect ("dPi" or "Applicant") filed a completed application for a certificate of public convenience and necessity ("certificate") requesting authority to provide local exchange telecommunications services throughout the Commonwealth of Virginia.

In its application, dPi states that it is a non-facilities based reseller that proposes to offer its customers prepaid, monthly recurring, flat-rate local exchange service, including extended area service, toll restriction, call control options, tone dialing, custom calling services, and any other services available on a resale basis from the underlying incumbent local exchange carriers. This proposed service would be priced higher than comparable local telephone service provided by the incumbent local exchange carrier.

In order to provide this prepaid monthto-month service, dPi requests a waiver of certain provisions of Rule C. 1. of the Commission's Rules Governing the Offering of Competitive Local Exchange Telephone Service ("Competition Rules") requiring a new entrant, either directly or through arrangements with others, to provide access to directory assistance, access to operator services, equal access to interLATA long distance carriers and access to intraLATA service to all local exchange customers. The Applicant further requests a waiver of Rule D.3. of the Competition Rules, 20 VAC 5-400-180, limiting the proposed rate for service provided by the new entrant not to exceed the highest of the comparable tariffed services provided by the incumbent local exchange telephone company or companies in the same local serving areas.

A public hearing on dPi's application will be convened on July 29, 1999, at 10:00 a.m. in the Commission's second floor courtroom located in the Tyler Building, 1300 East Main Street, Richmond, Virginia, to hear evidence relevant to its application for a certificate to provide local exchange services.

Copies of the application are available for public inspection between the hours of 8:15 a.m. and 5:00 p.m. in the Commission's Document Control Center located on the first floor of the Tyler Building, 1300 East Main Street, Richmond, Virginia 23219, or can be ordered from dPi's counsel, Kyle L. Dickson, Maxwell, Baker & McFatridge, P.C., 2525 South Shore Boulevard, Suite 410, League City, Texas 77573.

Any person desiring to comment in writing on dPi's application may do so by directing such comments on or before July 9, 1999, to the Clerk of the Commission, at the address listed below. Written comments must refer to Case No. PUC990047.

Any person desiring to make a statement at the public hearing concerning dPi's application need only appear in the Commission's second floor courtroom at 9:45 a.m. on the day of the hearing and

identify himself or herself as a public witness to the Commission's Bailiff.

Any person who expects to submit evidence, cross-examine witnesses, or otherwise participate in the proceedings as a Protestant pursuant to Rule 4:6 of the Commission's Rules of Practice and Procedure should promptly obtain a copy of the Order for Notice and Hearing from the Clerk of the Commission for full details of the procedural schedule and instructions on participation.

Individuals with disabilities who require an accommodation to participate in the hearing should contact the Commission at least seven (7) days before the scheduled hearing date at 1-800-552-7945 (voice) or 1-804-371-9206 (TDD).

All written communications to the Commission concerning dPi's application should be directed to Joel H. Peck, Clerk, State Corporation Commission, c/o Document Control Center, P.O. Box 2118, Richmond, Virginia 23218, and should refer to Case No. PUC990047.

DPI-TELECONNECT, L.L.C.

- (4) On or before June 18, 1999, Applicant shall give notice of its application to each local exchange telephone carrier certificated in Virginia by personal delivery or by first-class mail, postage prepaid, to the customary place of business or residence of the person served. A current list of those carriers and their addresses is attached as Appendix A.
- (5) On or before July 5, 1999, the Applicant shall prefile with the Commission an original and fifteen (15) copies of any

additional direct testimony it intends to present at the public hearing. Copies shall also be served on any person who files a Notice of Protest.

- (6) Any person desiring to comment in writing on dPi's application may do so by directing such comments on or before July 9, 1999, to the Clerk of the Commission, c/o Document Control Center, P.O. Box 2118, Richmond, Virginia 23218.

 Comments must refer to Case No. PUC990047. Any persons desiring to make a statement at the public hearing concerning the application need only appear in the Commission's second floor courtroom at 9:45 a.m. on the day of the hearing and identify himself or herself to the Bailiff as a public witness.
- (7) On or before July 9, 1999, any person desiring to participate as a Protestant as defined in Rule 4:6 of the Commission's Rules of Practice and Procedure ("Rules") shall file an original and fifteen (15) copies of a Notice of Protest as provided in Rule 5:16(a) and shall serve a copy of the same on dPi's counsel, Kyle L. Dickson, Maxwell, Baker & McFatridge, P.C., 2525 South Shore Boulevard, Suite 410, League City, Texas 77573.
- (8) Any person who expects to submit evidence, crossexamine witnesses, or otherwise participate in the proceeding as
 a Protestant pursuant to Rule 4:6 shall file on or before
 July 16, 1999, an original and fifteen (15) copies of its

Protest with the Clerk of the Commission at the address listed above, referring to Case No. PUC990047, and shall on the same day mail a copy thereof to dPi's counsel, Kyle L. Dickson,

Maxwell, Baker & McFatridge, P.C., 2525 South Shore Boulevard,

Suite 410, League City, Texas 77573, and to any other

Protestants. The Protest shall set forth (i) a precise statement of the interest of the Protestant in the proceeding;

(ii) a full and clear statement of the facts which the

Protestant is prepared to prove by competent evidence; and

(iii) a statement of the specific relief sought and the legal basis therefor. Any corporate entity that wishes to submit evidence, cross-examine witnesses, or otherwise participate as a Protestant must be represented by legal counsel in accordance with the requirement of Rule 4:8 of the Commission's Rules.

- (9) On or before July 16, 1999, each Protestant shall file with the Clerk of the Commission an original and fifteen (15) copies of the prepared testimony and exhibits the Protestant intends to present at the hearing, and shall on the same day, mail a copy of the same to counsel for dPi and other Protestants. Service upon counsel for dPi shall be made at the address set forth above.
- (10) The Commission Staff shall analyze the reasonableness of dPi's application and present its findings in a Staff Report to be filed on or before July 21, 1999.

- (11) On or before July 21, 1999, if necessary, the Commission Staff may file with the Clerk of the Commission an original and fifteen (15) copies of any prepared testimony and exhibits it intends to present at the public hearing. A copy of the Staff direct testimony shall be mailed to the counsel for the Applicant and to each Protestant.
- (12) On or before July 27, 1999, the Applicant shall file with the Clerk of the Commission an original and fifteen (15) copies of any testimony it expects to introduce in rebuttal to any direct prefiled testimony of Staff and Protestants. A copy of the rebuttal testimony shall be mailed to Staff and each Protestant by overnight delivery.
- (13) At the commencement of the hearing scheduled herein, dPi shall provide to the Commission proof of the notice and service required by ordering paragraphs (3) and (4) herein.
- (14) The Applicant shall respond to written interrogatories or data requests within seven (7) days after the receipt of the same. Protestants shall provide to the Applicant, other Protestants and Staff any workpapers or documents used in preparation of their prefiled testimony, promptly upon request. Except as so modified, discovery shall be in accordance with Part VI of the Rules.